

SENATE BILL REPORT

SB 5686

As Reported By Senate Committee On:
Children & Family Services & Corrections, February 21, 2003

Title: An act relating to workers' compensation benefits of inmates.

Brief Description: Establishing a formula for deductions from workers' compensation benefits of inmates and providing for benefits to be sent to department of corrections.

Sponsors: Senators Keiser, Prentice and McAuliffe.

Brief History:

Committee Activity: Children & Family Services & Corrections: 2/19/03, 2/21/03 [DPS].

SENATE COMMITTEE ON CHILDREN & FAMILY SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 5686 be substituted therefor, and the substitute bill do pass.

Signed by Senators Stevens, Chair; Parlette, Vice Chair; Carlson, Deccio, Hargrove, McAuliffe and Regala.

Staff: Fara Daun (786-7459)

Background: In *Willoughby v. Dep't of Labor and Indus.*, 147 Wn.2d 725 (2002), the Washington State Supreme Court held that state laws that prohibited paying industrial insurance permanent partial disability benefits to prisoners who were unlikely to be released from prison and had no statutory beneficiaries deprived these prisoners of their property without due process of law and violated equal protection provisions of the Constitution.

Current law limits what deductions can be taken from workers' compensation benefits, and did not contemplate inmates receiving industrial insurance benefits while incarcerated, and permits recovery of support enforcement and overpayments. Normally inmates' funds, whether from wages or as gifts, are subject to mandatory deductions for one or more of the following: taxes, crime victims' compensation, inmate savings, cost of incarceration, legal financial obligations, taxes, and support enforcement.

Summary of Substitute Bill: The Department of Corrections shall deduct 5 percent for crime victims' compensation, 10 percent for inmate savings, 20 percent for cost of incarceration, and the amount of any legal financial obligations up to the total amount of the award from any workers' compensation benefits an inmate receives. The award is also subject to any applicable taxes or support enforcement. Mandatory deductions may not reduce an inmate's account below the statutory indigency level of \$10.

Substitute Bill Compared to Original Bill: The substitute adds a necessary cross-reference and a provision that mandatory deductions may not reduce an inmate's account below the \$10 statutory indigency level.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Current law limits what kind of deductions can be taken on worker's compensation benefits. It harmonizes these deductions with those taken on other types of income.

Testimony Against: None.

Testified: Senator Karen Keiser (sponsor).